



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene
Carlsbad, New Mexico 88220-6292
www.nm.blm.gov



NM72066
3105.2 (P0220)

30-015-31296

MAR 09 2015

Murchison Oil and Gas, Inc.
7250 Dallas Pkwy, #1400
Plano, TX 75024

Gentlemen:

Communitization Agreement (CA) NM72066 was approved 10/24/79, effective as of 6/15/79. This agreement communitized the S2 of sec. 20, T. 17 S., R.27 E., NMPM, Eddy County, New Mexico involving 280 acres of land in Federal lease NM12690, and 40 acres in Fee land, comprising a 320 acre well spacing unit as to natural gas and associated liquid hydrocarbons producible from the Morrow formation.

The term of the agreement is for two years and so long thereafter as communitized substances are or can be produced from the communitized area in paying quantities.

Our records show that the subject well in the above-described communitized spacing unit, CA NM72066 (3001522783), located on Federal land in the S2 of sec. 20, T. 17 S., R.27 E., NMPM, produced from the Morrow formation. The Morrow formation perforation was plugged and abandoned effective 4/18/83.

Accordingly, in the absence of a well capable of producing communitized substances in paying quantities, CA NM72066 is considered to have expired by its own terms as of 4/30/83, the last day of the month during which the Morrow formation was abandoned. Lease NM72066 is eligible for a two year extension ending 4/30/85, pursuant to 43 CFR 3107.4 as a result of the termination of the subject agreement. Lease NM12690 is held by production.

If you have any questions regarding this termination, please contact Edward G. Fernandez,
Petroleum Engineer at (575) 234-2220.

Sincerely,



Steve Caffey
Assistant Field Manager,
Lands and Minerals

cc:

ONRR, Denver
New Mexico Taxation and Revenue Department, Revenue Processing Division,
NM 9200
NM P0220, File Room